STATE OF UTAH
NATURAL RESOURCES
Oil, Gas & Mining

Scott M. Matheson, Governor
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September 2, 1983

Mr. Mark R. Welch, Chief Engineer
Ranchers Exploration and Development Corporation
P. O. Box 6217
Albuquerque, New Mexico 87197

RE: On-Site Field Inspection
Escalante Silver Mine
ACT/021/004
Iron County, Utah

Dear Mr. Welch:

The Division wishes to extend its appreciation to your staff for the opportunity to visit the Escalante Silver Mine Properties on August 3, 1983. At that time, Division personnel Thomas Tetting, Thomas Portle, Steven Cox and D. Wayne Hedberg conducted an on-site inspection of the mine property accompanied by company representatives Tanny Harlin, Edward Hahne and Dean Van Dyke.

An underground tour followed by a surface tour of the above ground mining facilities and milling operations was conducted.

Upon examination of the mine facilities and the associated surface disturbances, it became apparent that there are a few areas which were not included in the original permit application. These must be provided to update the Mining and Reclamation Plan (MRP) currently on file with the Division. As you may recall, the final approval letter issued March 11, 1981 requested that the Division be notified and approve any modifications to the permitted MRP prior to implementation.

The following is a list of the items to be provided to update the approved MRP on file:

1. Summary of water quality data collected to date from surface and ground-water monitoring locations (to include, methods of collection and copies of water analyses).

2. Records of water level measurements from monitoring wells and piezometers. A summary table with dates and a site locations map referenced to the wells would be most helpful.

3. Pumping records for mine dewatering wells which depict pumping rates over time, on-going well drilling activities with future projections (if different from MRP) for additional wells should also be included.

4. Piezometric contour maps characterizing the ground-water drawdown and recharging effects that are occurring on-site and within the adjacent area aquifer(s). It is the Division's understanding that these maps are produced monthly by the operator.

5. A narrative describing the current aquifer recharge system. The narrative should indicate when the system was initiated, other methods which were attempted and/or abandoned, and the reason(s) for implementing changes from the original approved system of aquifer recharge.

6. An updated surface facilities map should be provided which includes the entire extent (acres) of additional surface disturbance attributable to the modified ground water recharge system(s). Any other additional surface disturbances must also be included.

   An updated property ownership map to include any newly acquired land or mineral leases since the original submission should also be provided.

7. The 1982 Annual Operations and Progress Report submitted to the Division identifies 40 acres of grading and reseeding with native vegetation, those areas disturbed by water recharge ponds. The report also indicates 90 percent revegetation success.

   Please provide a more detailed explanation describing what this area was reseeded with (seed mix), when it was reseeded and how the 90 percent revegetation success was determined.

   The 1981 progress report is also somewhat vague in describing the details of the revegetation work which has been performed on approximately 140 acres of constructed canals. Please provide the same information as requested above.

8. The topsoil stockpiling activities which are currently associated with the expansion of the tailings pond area raises an additional question.

What methods will be employed to provide ample protection from wind and water erosion until final reclamation? What volumes have been generated? What is the current volume in storage? What is/was the fate of topsoil associated with disturbances incident to the construction of ponds in the modified ground-water recharge system?

9. The additional disturbed acreages should be properly surveyed and added to the total disturbed area acreage as currently permitted. If the new acreage is substantial, then the reclamation performance bond will need to be revised to include cost estimates for reclamation of these areas. What is the reclamation plan for these areas? This must be accomplished prior to the five-year time frame revision schedule as originally approved by the Division.

   Enclosed are examples of updated bonding forms utilized by the Division in estimating reclamation bond amounts.

Once again, we thank you and your staff for taking the time to update the technical staff with the status of on-site operations. The items requested above will provide the information necessary to bring the current mining and reclamation plan up to date as well.

Please call myself or D. Wayne Hedberg of my staff if there are any questions or comments.

Sincerely,

JAMES W. SMITH, JR.
COORDINATOR OF MINED
LAND DEVELOPMENT

JWS/DWH:btb

Enclosures

cc: Ed Hahne, REDCO
T. Tetting, DOGM
T. Portle, DOGM
S. Cox, DOGM
D. Wayne Hedberg, DOGM